(a) whether Government is aware that as per the estimate of International Monetary Fund (IMF), doubling of food prices over the last three years could potentially push 100 million people in low-income countries deeper into poverty;

(b) if so, what will be its impact in India and on essential commodities in the country;

(c) whether Government is also aware that a World Bank report has said that global wheat prices jumped 181 per cent over the 36 months to February, with overall food prices up 83 per cent; and

(d) if so, how Government proposes to deal with the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) Yes Sir. Containment of inflation along with maintenance of high economic growth are priority of the Government. Anti-inflationary policies of the government include strict fiscal discipline, rationalization of duties of essential items, effective supply-demand management of essential commodities through liberal tariff and trade policies, and procurement through public sector agencies. Government has also imposed export restrictions and eased imports to increase domestic availability of food-grains and other essential commodities to stabilize prices. As a long-term strategy to stabilize food prices, Government has also initiated the National Food Security 8 Mission to increase production of rice, wheat and pulses by 10 million tonnes, 8 million tonnes and 2 million tonnes, respectively. Further, to supplement Government's efforts and Reserve Bank of India has formulated the monetary policy to be conductive to economic growth, while attempting to contain inflationary expectations arising out of uncertainties in domestic and international environment.

Affordable rate of Wholesale Price Index

† 4229. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as per the Reserve Bank of India (RBI) option 3 per cent rate of Wholesale Price Index (WPI) in the country has been considered as affordable;

(b) if so, the details in this regard;

(c) whether it is also a fact that during financial year 2007-08, this rate has been registering more than affordable rate of Wholesale Price Index as envisaged by RBI;

(d) if so, the months during which this rate has been more than affordable rate; and

(e) the average rate of the above during the remaining period of the year and details of the minimum and maximum rate during this period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (e) The Reserve Bank of India, in its Annual Policy Statement, 2008-09, issued on April 29, 2008, has stated that the policy endeavour would be to bring down inflation from the current level of above 7 per cent to around 5.5 per cent in 2008-09

† Original notice of the question was received in Hindi.

with a preference for bringing it as close to 5 per cent as soon as possible, recognizing the evolving complexities in globally transmitted inflation. The resolve, going forward would continue to condition policy and perceptions for inflation in the range of 4.0-4.5 per cent so that inflation rate of around 3.0 per cent becomes a medium-term objective consistent with India's broader integration into the global economy and with the goal of maintaining self-accelerating growth over the medium-term.

During 2007-08, inflation based on year-onyear variation in the Wholesale Price Index (WPI), declined from 6.4 per cent at the beginning of the financial year to a low of 3.1 per cent in mid-October, 2007 before firming up from mid-February, 2008 onwards. The WPI inflation stood at 7.4 per cent at the end of March, 2008 as compared to 5.9 per cent a year ago. The monthly average WPI inflation rates during 2007-08 are given in Table below:

Month	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Inflation	6.3	5.5	4.5	4.7	4.1	3.5	3.1	3.3	3.8	4.5	4.6 (P)	6.4 (P)

P: Provisional

Policyholders of LIC

† 4230. MS. SUSHILA THUYA: Will the Minister of FINANCE be pleased to state:

(a) what is the number of policy accounts of the policyholders of the Life Insurance Corporation (LIC) of India that have matured but the payment thereof has not been made;

(b) the amount of credit left in such accounts lying inoperative for the last five years;

(c) the way these inoperative accounts will be disposed of; and

(d) what steps will be taken to invest this amount in the programmes meant for the welfare and development of the poor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PA WAN KUMAR BANSAL): (a) to (d) The information is being collected and will be laid on the Table of the House.

Illegal production of opium poppy

4231. SHRIMATI SHOBHANABHART1A: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Bureau of narcotics has recently revealed that the illicit production of opium poppy is more than its licenced production;

(b) if so, details thereof;

(c) whether Government has taken action against those who are illegally cultivating opium poppy;

(d) if so, the details thereof; and

(e) the concrete steps taken by Government to check illegal cultivation of opium poppy and also to check illegal opium trade?

† Original notice of the question was received in Hindi.